

CITY COUNCIL MINUTES

March 10, 2014

REGULAR SESSION

The Regular Session of the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Monday, March 10, 2014 at 6:00 p.m. with Mayor Powers presiding and City Clerk Stephanie L. Snyder recording the minutes.

CALL TO ORDER at 5:15 p.m.

ROLL CALL:

Council Members Present: Kevin Hanley, J. M. "Mike" Holmes, William W. Kirby, Keith Nesbitt, Bridget Powers

Council Members Absent: None

Staff Members Present: Interim City Manager Rich Ramirez, City Attorney Michael Colantuono, Administrative Services Director Kim Juran, Fire Chief Mark D'Ambrogi, Community Development Director Will Wong, Senior Planner Reg Murray, Public Works Director Bernie Schroeder, Transit Analyst Megan Siren, and Police Chief John Ruffcorn.

CLOSED SESSION

By **MOTION**, add item 5 to the closed session agenda.
Kirby/ Hanley/ Approved 5:0

By **MOTION** adjourn to a Closed Session under Government Code Section 54957.6

MOTION: Hanley/ Nesbitt/ Unanimously approved by voice

1. Conference with Labor Negotiators (G.C. 54957.6)
Agency Designated Representatives: Rich Ramirez, Patrick Clark
Employee Group: All Bargaining Units

2. Conference with Legal Counsel; Existing Litigation (Gov. Code § 54956.9(d)(1))
Name of Case: David Lawicka v. City of Auburn
Names of Parties or Claimants: David Lawicka
WCAB Nos. ADJ8999797; ADJ8911950; ADJ9120637; ADJ9120557;
ADJ9120634 (Workers' Compensation Appeals Board)

3. Conference with Real Property Negotiator (Gov. Code § 54956.8)

Property Address: Vacant lot north of Epperle Lane, west of Interstate 80, and east of Mikkelsen Drive, Auburn, CA 95603 (APN 001-020-052-000)

City Negotiator: Richard J. Ramirez

Negotiating Parties: Aiello

Under Negotiation: Price and terms of payment

4. Conference with Real Property Negotiator (Gov. Code § 54956.8)

Property Address: Old City Hall, 1103 High Street, Auburn

City Negotiator: Richard J. Ramirez

Negotiating Parties: Auburn Chamber of Commerce

Under Negotiation: Price and terms of payment for lease

5. Conference with Legal Counsel; Initiation of **Litigation**: One potential case
G.C. 54956.9(c)

REPORT OUT OF CLOSED SESSION

City Attorney Michael Colantuono reported that the City Council approved adding item number 5 to the closed session agenda regarding the Placer County Supervisors approval of a Costco project and decided not to file a lawsuit but did direct the City Attorney to send a letter to Placer County asking about the County's environmental compliance on the project. He continued to report out of closed session for items: (1) Council received a report and gave instructions to their negotiator, (2) Council ratified the selection of a Worker's Compensation Lawyer to defend the case, (3) direction was given to City Staff to bring back in open session the acquisition costs, and (4) direction was given to staff to negotiation a lease with the Chamber of Commerce. He said Council Member Kevin Hanley recused himself from this item and left the closed session due to potential conflict.

PLEDGE OF ALLEGIANCE

MAYOR'S COMMENDATIONS/PROCLAMATIONS/ACKNOWLEDGEMENTS/ANNOUNCEMENTS

Mayor Powers presented a proclamation to members of the American Red Cross.

AGENDA APPROVAL

Council Member Nesbitt asked to move Item 11 (SHAAC Recommendations) to Item 4a as a first presentation, since several members of the public were present for the item. The remainder of agenda was approved as presented by consensus of the Council.

CONSENT CALENDAR

Council Member Hanley requested item 3 be removed from the consent calendar.

1. **Minutes**

By **MOTION**, approve the City Council minutes of 2/10/2014 and 2/19/2014.

2. **Annual SACOG Blueprint Project Comparison Report – 2013 Calendar Year**

No action is required; receive and file.

3. **Labor Agreement with Auburn Public Safety Association (APSA)**

Item pulled from the consent calendar by Council Member Hanley.

***** End of Consent Calendar *****

Council Member Nesbitt abstained from voting on the minutes of 2/10/14, due to his absence at that meeting.

By **MOTION**, approve the consent calendar excluding item 3 and noting Council Member Nesbit's abstention on item 1.

The motion was made by Council Member Holmes and seconded by Council Member Kirby, and approved by the following roll call vote:

Ayes: Hanley, Holmes, Kirby, Nesbitt, Powers

Noes:

Abstain:

Absent:

3a. **Labor Agreement with Auburn Public Safety Association (APSA)**

Council Member Hanley asked for clarification on fiscal impact.

Finance Director Kim Juran explained the budgetary impact numbers.

Council Member Holmes asked about retroactive pay in the fiscal impact.

Approve **RESOLUTION 14-18**, adopting the approved salary adjustment between the Auburn Public Safety Association and the City of Auburn for the period of July 1, 2013 through June 30, 2014.

The motion was made by Council Member Hanley and seconded by Council Member Holmes, and approved by the following roll call vote:

Ayes: Hanley, Holmes, Kirby, Nesbitt, Powers

Noes:

Abstain:

Absent:

4. **Public Comment**

Council Member Holmes thanked the Public Works crews on great work during the recent storms, and congratulated Council Member Hanley on his upcoming appointment as CEO of the Auburn Chamber of Commerce.

No comments from the public.

PRESENTATIONS

4a. **SHAAC Recommendations**

Council Member Nesbitt presented the item. He spoke about the River Confluence Theme street names and tiles for engraving in Streetscape. He said Gene Markey's name was approved (by SHAAC) to be located in the Central Square and Roy Mikkelsen and Jeff Hamilton's names to be located in the sports zone. He said all the tiles being considered have private sponsors to cover the cost.

Michael Otten, President of Placer County Historical Society, spoke in favor of the Gene Markley nomination.

Council Member Kirby said he would like to see the rafting/ river community have input on possible river themed street names.

Council Member Holmes asked about Bloomer Cut being listed on two themes. He made a correction to the family name Rosenberry.

Mayor Powers said she would like to see the final wording on the tiles before work begins.

Council Member Nesbitt said he will bring back to Council the final wording for Jeff Hamilton and Roy Mikkelsen for final approval.

By **MOTION**, approve the proposed river/confluence theme with the request that SHAAC make contact with river user groups in the area to gain additional input; approve the street names within the themes; approve the tile nomination names in concept for engraving (Markley approved as written).

The motion was made by Council Member Kirby and seconded by Council Member Hanley, and approved by the following roll call vote:

Ayes: Hanley, Holmes, Kirby, Nesbitt, Powers

Noes:

Abstain:

Absent:

5. **Presentation from Technology Commission**

This server upgrade project update was presented by Rich Owens, Chair of the Technology Commission. He said the commission was charged with looking into the health of the IT infrastructure for the City of Auburn. He said there is an urgent condition that needs to be addressed immediately. He said almost all of the servers are passed warranty. He said as they age, replacement parts are no longer available. He said the impact is doubled by the fact that the City does not currently have an IT person on staff or a current maintenance contract with any vendor. He said no preventative maintenance is being done on these servers. He spoke of past problems with these servers going down for a period of time. He said two of the servers are over 90% of capacity. He said it is the commission's conclusion that it is only a matter of time before there is a catastrophic failure of these servers. He said it is their recommendation that the City purchase two large servers to handle this storage demand. He said this will only be an initial effort to replace the two existing servers. He said all the physical servers can be consolidated with the new servers. He said off-site computing (cloud based) is the way of the future. He spoke of the Request for Quotes that was sent out March 5th. He is estimating the cost of this project to be around \$50,000-\$60,000. He said the last infrastructure analysis for Auburn was done in 2010. He said the review of the infrastructure needs to continue, and if action is not taken soon, the City could find itself in a very serious situation.

Council Member questions followed regarding: (1) total cost, (2) capacity of new servers, (3) off-site storage, (4) RPQ details, (5) IOSafe system, (6) streaming video, (7) service contract costs, (8) firewall on APD server, (9) cloud based options, and (10) future expenses.

Council Member comments followed regarding: (1) cost and budget, (2) how the City got to this urgent point with the servers, and (3) including possible costs in future budgets.

The Council thanked the Technology Commission for their hard work.

6. **Presentation from Auburn Fire Department**

Fire Chief Mark D'Ambrogi presented an overview of 2013 Fire Department response and functions (available in record).

Council member questions and comments followed regarding: (1) volunteer program, (2) community service at schools, (3) juvenile fire setter program, (4) ROP program, (5) SAFER grant, (6) response times, and (7) expertise of volunteers.

COUNCIL BUSINESS

7. **Results of Annual Audit**

Administrative Services Director Kim Juran presented the highlights of the Comprehensive Annual Financial Report for Fiscal Year 2012-2013.

Interim City Manager Rich Ramirez explained that the audit will return to a future agenda for formal acceptance, saying this was meant as an introduction due to the staffing changes in the Finance Department. He commended the Council on creating and adhering to the policy on reserve funds.

Council Member questions and comments followed regarding: (1) non-recurring expenditures and revenues, (2) public safety costs/ grants, (3) recommendations in CAFR, (4) City Officials listed, and (5) decreasing debt levels.

The **MOTION** was made by Council Member Hanley and seconded by Council Member Holmes to receive Comprehensive Annual Financial Report for Fiscal Year 2012-2013.

Ayes: Hanley, Holmes, Kirby, Nesbitt, Powers

Noes:

Abstain:

Absent:

8. **Financial Status Report – Fiscal Year 2013-2014**

Administrative Services Director Kim Juran presented the mid-year report on the budget (report available in record.) She reviewed the general fund revenues, sewer fund revenues, airport fund revenues, and the gas tax revenues.

Interim City Manager Rich Ramirez spoke about several significant financial challenges that the City is facing: (1) recent CalPERS Board

action resulting in increases in CalPERS costs, (2) Costco and Walmart opening just outside the city limits impacting sales tax revenues, (3) SB983 reassigning sales tax revenues from card-lock fueling headquarter locations and (4) additional of a hotel outside of the city limits. He recommended at a minimum, that Council accept the financial status report and direct staff to prepare additional supplemental material for the City to review including a draft of a fiscal policy to address some of these issues and develop strategies.

Kim Juran explained the financial forecast which results in a structural deficit by 2017/2018.

Council Member questions followed regarding: (1) structural deficit forecast, (2) fuel sales tax decrease, (3) small businesses in Auburn, (4) Costco Lease, (5) SB983 status in Legislature, (6) reserve fund level, (7) reliance on fuel sales taxes, (8) CalPERS impact, (9) market absorption analysis, (10) economic development strategy, and (11) transient occupancy taxes.

Tom Dwelle business owner at 2349 Richenbacker Way in Auburn, gave background on SB983 and spoke in opposition of the bill.

Council Member Kirby spoke about the environmental review of Costco. He addressed Council Member Holmes report of the hotel outside of the city limits. He said if North Auburn had been annexed long ago none of this would be a problem.

Council Member Nesbitt spoke about the history of the Board of Equalization action in regards to the SB983 issue. He said the State of California continues to torpedo and sabotage reasonable and fiscally responsible cities.

Council Member Hanley said faced with this financial emergency Auburn must develop a legislative strategy to defeat SB 983 and create an economic plan.

Council recessed for 5 min and returned at 8:55 p.m.

MOTION made by Council Member Holmes and seconded by Council Member Hanley to receive and file the Financial Status Report for the City of Auburn for Fiscal Year 2013-14:

Ayes: Hanley, Holmes, Kirby, Nesbitt, Powers

Noes:

Abstain:

Absent:

9. **Planning Commission Priority Review 2014**

Senior Planner Reg Murray made the presentation. He said notable items from the list of the Planning Commission's priorities for the upcoming year include: the General Plan update, Geodatabase and Mapping update, FEP/GP Fee Schedule, 2013-2021 Housing Element Implementation, HOME Grant, Placer County Airport Land Use Compatibility Plan, and Parking Management. He reviewed completed tasks for the past year. He said the Historic Design Review Commission (HDRC) conducted their review of priorities as well. He said they retained their existing items from 2013 and added two new items: Historic Resource Nominations and Workshops with Interest Groups.

Council Member Holmes asked about the staff work on the message ordinance on the special projects lists and specific recommendations from HDRC.

Council Member Hanley asked if there is a legal reason to update the General Plan, FEP fees, parking study/ parking management, and Baltimore Ravine specific plan status.

Council Member Nesbitt asked about the tree ordinance looked at a few years ago. He also asked about the input for the Airport Master Plan.

Council Member Kirby strongly recommended the discussion of Auburn's "two islands" (airport and treatment plant) to be on the Planning Commission agenda for the interest of not having them as islands only, so that the sphere of influence is not lost.

Mayor Powers asked about the reimbursement agreements in regards to the Baltimore Ravine development agreement.

MOTION made by Council Member Kirby and seconded by Council Member Hanley to receive and file report on Planning Commission Priority's 2014:

Ayes: Hanley, Holmes, Kirby, Nesbitt, Powers

Noes:

Abstain:

Absent:

10. **Auburn Airport Lease/ Extension Policy**

Council Member Nesbitt recused himself from this item and left the Council Chambers.

Interim City Manager Richard Ramirez presented the issue. He said prior to 2013 the City treated the leases on a case by case basis. He said in 2013 staff commenced an effort to bring forward a global solution due to the fact that the City lacked an approved airport lease policy. He said the staff effort did not move forward at that time. He said there are different options including: (1) temporarily freeze all requests and work on a global solution, (2) adopt an interim solution that focuses primarily on how to address updated rent figures, or (3) remain on a case by case basis.

Council Member Hanley asked about outreach to the tenants at the airport, past practices and economic development impact.

Council Member Holmes asked about current lease extensions if a freeze is enacted and the possibility for a "grandfather- in" rule.

Council Member Kirby said there should be a consistent transparent policy. He said he would like EDC to look at it and make recommendations to Council. He said leases should be subject to a freeze until a policy is adopted.

Mayor Powers asked about the new policy in regards to existing leases.

Council Member Hanley asked the difference and benefit to the city between the global solution vs. interim solution.

No public comment.

MOTION made by Council Member Kirby and seconded by Council Member Holmes to freeze current airport leases, handling them as case-by-case basis including an appraisal process, request the Economic Development Commission to review elements to create an Interim Lease Policy, with proper outreach to airport stakeholders.

Ayes: Hanley, Holmes, Kirby, Powers

Noes:

Abstain: Nesbitt

Absent:

Council Member Nesbitt returned to the dais at 9:45 p.m.

REPORTS

12. City Council Committee Reports

Council Member Holmes reported that last May the EDC brought forward a work plan for 2013-14 and he said he would like an update to the


Council on what projects have been completed. He also reported that the Placer County Board of Supervisors is considering an item tomorrow regarding the Costco lease. He said part of this involved the relocation of the Senior Center. He said he would like on record that the City of Auburn has concern about what happens to the Senior Center. He reported on the Bud Anderson Monument that has been approved for installation at the Auburn Airport. He said a lease modification needs to be completed for the site.

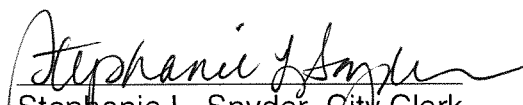
Council Member Hanley reported that the Government Affairs Committee on SACOG approved a Forestry Principle that he put forward to help prevent catastrophic fire. He also reported that he will be attending the Sierra Nevada Conservancy meeting on March 13th to support the fire departments request for funds for the shaded fuel break.

Council Member Nesbitt reported on the Placer County Transportation Planning Agency acting as the Airport Land Use Commission and the approval of the Airport Land Use Compatibility Plan.

ADJOURNMENT

Mayor Powers adjourned the meeting, without objection, at 9:48 p.m.


Bridget Powers, Mayor


Stephanie L. Snyder, City Clerk